

NSD-354

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October 5, 1995

Reed Hundt
Chairman, Federal Communications Commission
1919 M Street NW
Room 814
Washington, D.C. 20554

CC Docket No. 95-155

FCC No. 95-419

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OCT 27 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Dear Chairman Hundt:

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I've enclosed for your information a recent Wall Street Journal article (8/17/95) detailing a growing shortage of available toll-free 800 telephone numbers and the introduction next March of a new toll-free prefix, 888, into the market. This article also raised some issues which is the basis for me writing to you.



I am Chairman and Chief Executive Officer of Home Access Health Corporation based in Hoffman Estates, IL. Our company expects in the very near future to begin providing anonymous HIV-1 education, counseling and testing to clients nationwide. We are awaiting FDA approval to begin marketing our service. A major component of our business plan involves the phone number 1 800 448-8378 or 1 800 HIV-TEST. The aforementioned was secured and has been in use since mid-1992.

Similar to 1 800-FLOWERS, Home Access Health relies on 1 800 HIV-TEST as a significant tenet of our business. I can not stress to you enough the importance of Home Access Health being able to maintain the proprietary nature and value of its toll-free "HIV-TEST" phone number. Home Access Health supports the institution of FCC rules which prevents the poaching of proprietary 800 numbers. I herein seek your support in committing the forthcoming 888 toll-free "HIV-TEST" phone number to Home Access Health as a protection against consumer confusion and the possibility of people inadvertently calling 888 HIV-TEST, which would cause irreparable harm to our business.

Please let me know if there is any way I can assist the Commission on this matter.

Sincerely,

Tracey T. Powell
Chairman & CEO

cc: Kathleen Wallman
Chief, Common Carrier Bureau
Room 500

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TECHNOLOGY & HEALTH**French Hacker Cracks Netscape Code, Shrugging Off U.S. Encryption Scheme**

By JARED SANDBERG
Staff Reporter of THE WALL STREET JOURNAL

A computer hacker in France has breached the encryption scheme of new Netscape software for navigating the Internet, the global computer network. The breach underscores flaws in U.S. rules restricting the export of more-sophisticated security measures.

The hacker, a French student at the Ecole Polytechnique, cracked the weaker encryption scheme that U.S. government policy forces Netscape Communications Corp. to use in a foreign version of its Navigator software. Yesterday, he posted the results of his efforts on the Internet's Cypherpunks discussion group.

The student took up a challenge issued on July 14 in the Cypherpunks group, which is frequented by cryptography experts and hackers and mathematicians. He used 120 powerful computer workstations and two supercomputers to crack a piece of information encrypted in Netscape's "browser" software. The security is aimed at scrambling sensitive financial data to keep credit-card numbers, sales transactions and other material safe from break-ins.

The highly sophisticated computers took eight days to break the code — far more power and time than the typical illegal hacker would be able to muster for criminal pursuits. But the chore nonetheless highlights the vulnerabilities that could make customers shy away from conducting commerce on the Internet, particularly international users who can't get hold of the tougher security measures allowed within the U.S.

The French hacker was able to crack the so-called 40-bit encryption scheme in Netscape's overseas version of its software. In the U.S., Netscape employs a far more powerful design — 128 bits, a number that refers to length of the encoding "key," which is used to scramble data.

U.S. rules limit Netscape to exporting only 40-bit encryption overseas. Yet the 128-bit version takes exponentially more power to crack: Compared with violating the 40-bit scheme, the 128-bit key would take 10-to-the-26th-power more time to breach, experts say. That's a 1 followed by 26 zeroes, a factor of time that makes it all but impossible for hackers to break in.

Netscape wasn't surprised at the findings. The company said it has always known and stated that 40-bit security could be breached by "brute force," the use of massive computing power to descramble the information.

"This is a good indication of why the government should allow us to ship more-secure software," said Mike Homer, Netscape's vice president of marketing. "The laws are archaic."

Clinton administration officials have viewed strong encryption as a weapon for foreign terrorists, who could exchange communications without fear of eaves-

dropping by law enforcement officials.

That policy, however, has raised the hackles of industry executives, who say that without strong encryption abroad, the growth of electronic commerce could be significantly stunted. Last week, a group of software executives told the White House that restrictive export regulations might blunt American competitiveness in foreign markets.

"Netscape security is fine," said Dietrich Cappe, a senior partner at Red Planet LLC, an Internet consulting company. "As long as the government's export restriction exists, commerce is going to be severely hampered." Netscape licenses the encryption algorithm from RSA Data Security Inc., one of the most prominent software security firms that licenses its software to most major software companies. "We've warned the government that the level of security they allow our customers to export is too weak," said James Bidzos, president of RSA. "Maybe they'll listen now."

Netscape's Mr. Homer noted, however, that the amount of effort and computing power, which could cost as much as \$10,000 in addition to the cost of the machines, don't make even breaches of 40-bit security practical from a thief's perspective.

"You'd be better off working in a shoe store, stealing credit card numbers for a week," Mr. Homer said.

X-Ray Method Developed To Check on Heart Valves

Researchers said they developed an X-ray technique that can detect early signs of a failure in an artificial heart valve made by a unit of Pfizer Inc. The technique will help physicians determine if a patient's heart valve should be replaced, said William O'Neill, a cardiologist at William Beaumont Hospital in Royal Oak, Mich., who helped develop the new X-ray technique in research funded by Pfizer. He said the technique also will help anxious patients avoid surgery to remove a structurally sound valve. Such open-heart surgery carries a mortality rate of 3% to 5%, he said. The valves, made by Pfizer's Shiley unit, are known as Bjork-Shiley heart valves. Pfizer stopped selling the device in 1986 after several of the valves failed when a small supporting strut broke.

VIACOM INC.

Viacom Inc. said it bought a minority stake in Looking Glass Technologies Inc., a Cambridge, Mass., developer and publisher of entertainment software. Terms weren't disclosed. Under the agreement, Viacom New Media, Viacom's interactive entertainment software publishing division, will work with Looking Glass to develop and publish several games for personal computers and other media, the company said.

Not That Many 800 Phone Numbers Are Free Anymore

FCC to Add New Prefix, 888, For Toll-Free Calls; Growth Crunches Numbers Fast

By GAUTAM NAIK
Staff Reporter of THE WALL STREET JOURNAL
NEW YORK — Call it 1-800-SHRTAGE: America is running out of toll-free 800 numbers.

Whether to dispatch flowers or buy a mattress, phone numbers with the 800 area code have long been associated with toll-free calling. But because of explosive demand for 800 numbers, there aren't very many left. Come March, America will have a new toll-free code — 888 — in addition to its old one.

Some customers could be perplexed. Many won't hear about the change. Others may think the 888 code is just another variation of 900 numbers with hefty per-minute charges. And consumers could refrain from making calls. For a company like 1-800-FLOWERS that relies on the toll-free number for virtually all its business, what happens if a competitor reserves 1-888-FLOWERS?

AT&T Corp., which invented 800 service and has the bulk of the market, concedes that such problems still need to be hashed out. It's launching a massive marketing campaign to sell the new prefix before its expected March launch. "It's critical that the toll-free nature of 800 be sacrosanct," said Ken Sichau, AT&T vice president for marketing.

Toll-free service is huge business, bringing \$10 billion in annual revenue to long-distance companies. AT&T said that over 40% of all calls placed on its network are 800 calls.

Recent growth has been spectacular. Between 1967 and 1993, only about 1.3 million 800 numbers were handed out. In the past two years, however, the number has jumped to about 6.8 million.

The crunch recently worsened. In one particular week in June, the figure soared to 113,000 from a more typical 30,000. The Federal Communications Commission stepped in, and the count is now back to 28,000. Nonetheless, the FCC is concerned about allegations that some businesses, anticipating a dearth, are hoarding 800 numbers for customers they don't have yet.

The huge spike in demand has clashed with a simple mathematical truth: There are roughly 7.6 million possible permutations to the seven-digit number that follows an area code. (Assuming that the number can't begin with a zero or a 1.) About 6.8 million numbers are already "active." At current growth rates, even the 888 prefix will be exhausted in about two years.

For the new 888 code, the FCC may

Suit Claims Research Hospitals Faked Records and Billing to Get U.S. Funds

By ANDY PASZTOR
Staff Reporter of THE WALL STREET JOURNAL
Dozens of prominent research hospitals nationwide submitted phony bills and some even falsified patients' records to obtain as much as \$1 billion in federal payments for sophisticated, but still experimental, cardiac procedures, a newly unsealed whistle-blower suit alleges.

The allegations of years of systematic fraud involving as many as 130 major medical centers nationwide — accusations that already have prompted a previously reported federal criminal investigation — are likely to shine a spotlight on the controversial issue of which cutting-edge devices and procedures currently are, or should be, eligible for Medicare or Medicaid claims.

Lawyers representing hospitals strongly denied any wrongdoing, asserting that until recently the government knew about and, at least tacitly, approved federal coverage for such diagnostic and surgical procedures. Meanwhile, Congress is wrestling with the topic amid a barrage of claims and counterclaims that threaten to disrupt the medical-devices industry.

Existing regulations say that the government generally won't pay for treatment considered to be experimental or for the use of "investigational" medical devices that haven't been formally approved for general use by the Food and Drug Administration. The lawsuit contends that physicians and hospitals, including Cedars-Sinai Medical Center in Los Angeles, Mount Sinai Medical Center in New York, Johns Hopkins Hospital in Baltimore and the University of California at Los Angeles Medical Center, devised improper procedures to get around those restrictions and hoodwink the government into paying for such treatments.

The identity of the whistle-blower, who stands to pocket tens of millions of dollars if his suit succeeds, remains secret.

Filed in federal district court in Seattle last year but not unsealed until yesterday, the suit claims that since 1986 physicians "knowingly submitted false claims" for, among other things, the use of lasers, miniature drills and other cutting devices to remove deposits inside blood vessels.

While the existence of the nationwide investigation has been reported, the formal complaint and related documents released by the whistle-blower's lawyers spell out, for the first time, techniques allegedly used to cheat the government.

According to Phil Benson, one of the lawyers for the whistle-blower, seminars were sponsored by at least one manufacturer to help doctors and hospital adminis-

propose a rule preventing businesses from poaching on the recognizable 800 numbers of rivals. For instance, companies like 1-800-FLOWERS whose toll-free number "defines their business," may be given exclusive rights to the FLOWERS suffix, says Mr. Sichau of AT&T.

trators allegedly falsify bills for unblocking blood vessels. In an interview, Mr. Benson also claimed that some hospitals instructed staff to deceive potential federal audits by removing "consent forms" from certain patient files explicitly approving the use of experimental procedures.

In addition, Mr. Benson said that his client, who attended some of the seminars and training sessions at which purportedly bogus billing schemes were discussed, has data showing that some hospitals used the same catheter on as many as 20 patients. But Mr. Benson claims that Medicare was billed as though each of procedures used a new catheter.

Russell Hayman, a Los Angeles attorney representing 25 of major hospitals that have filed a separate civil suit seeking to block any sanctions against them, said "the government was billed in a straightforward manner" and "paid for these [procedures] year after year" until the whistle-blower's complaints prompted a sudden policy change. Mr. Hayman, who denied that his clients authorized file-tampering or any other steps to mislead government auditors, asserted that "it's fraudulent on the part of the government" to belatedly demand refunds of hundreds of millions of dollars. The hospitals' suit was filed in Los Angeles federal district court.

Disease Borne by Ticks Threatens Golfers, Others

A WALL STREET JOURNAL NEWS ROUNDUP
A new hazard is joining sand traps and ponds on the nation's golf courses.

The hazard is a little-known disease borne by ticks and it threatens almost anyone who ventures into the woods, especially in the South.

Researchers at Vanderbilt University and the Centers for Disease Control and Prevention reported they analyzed a 1993 outbreak of a tick-borne disease called human ehrlichiosis at a Tennessee retirement community with several golf courses.

Golfers who searched for errant balls in the woods were almost four times more likely to show evidence of past infection with the potentially fatal disease than those who played new balls.

Only about 400 cases of the fluke-like ehrlichiosis have been confirmed nationwide since it was identified in 1987. But 12.5% of the 3,000 retirees in the Tennessee community showed evidence of previous infection by the ehrlichiosis bacterium, Vanderbilt's William Schaffner and his colleagues report in this week's New England Journal of Medicine.

Ehrlichiosis is easy to misdiagnose because its initial symptoms resemble other maladies. If untreated, it often rapidly worsens, and can cause kidney and respiratory failure. The ailment responds to only one of several antibiotics used for treating Lyme disease.

Talking to Computers May Be Hazardous To Your Vocal Cords

Continued From Page B1
says. "They're more apt to produce a glottal attack, which is more apt to produce swelling of the vocal cords, which causes hoarseness." She suggests letting some air out before pronouncing the word, like putting an 'h' sound at the beginning. Lincoln Labs' Mr. Dunn has another solution. He programmed his system to replace "enter" with "do it," which he says helped considerably. Ms. Shafir also advises drinking liquids continually, maintaining a good posture and "avoiding outrageous voice abuses, like being a basketball coach on the side."

Conversing with computers isn't a health threat for everyone. Three years after Toronto law firm Keyser Mason Ball installed the program Dragon Dictate, office manager Marilyn O'Brien reports that no lawyer has ever complained about a voice ailment. Peter Cohen, a Dragon reseller in Natick, Mass., suggests that people using the software because of a disability, rather than as a productivity tool, may be more susceptible to throat problems, because they're under more pressure to make it work. Ms. Shafir adds, "If you're a high-stress person, you're going to be vulnerable to voice problems."

For now, the worst sufferers are trying to adapt. Bell Labs' Mr. Carroll combats both his RSI and his chronic sore throat by combining special ergonomically designed keyboards and voice input. That way, he says, neither his hands nor his throat takes too much abuse.

Eric Johansson, a consultant in Billerica, Mass., takes a different approach. After RSI cost him his job as a computer programmer and the voice system he set up at home made him perpetually hoarse after a week, "like RSI in my throat," a single visit to a vocal coach diagnosed the problem, he says. "Once she saw me talk, she saw that I wasn't pushing air out with my lungs, but with my throat," Mr. Johansson says. Now, he takes time out throughout the day for deep-breathing exercises, allowing him to dictate all day without hoarseness.

For those who have injured both hands and voice, don't despair. There are still the feet. **Bibo Innovations Inc.** in Madison, Wis., sells a set of foot pedals with three buttons that can be programmed to represent any key. They don't replace the keyboard but can reduce typing. No talking necessary.

Analysts International Corp.

MINNEAPOLIS — Analysts International Corp. said it had been chosen by International Business Machines Corp. to provide technical services for two years. The software-services concern said the rates were "competitive" but still will help earnings.